Assembly Bill No. 1398

Passed the Assembly	September 2, 2003
	Chief Clerk of the Assembly
assed the Senate	August 28, 2003
	Secretary of the Senate
This bill was received	ed by the Governor this day of
	, 2003, at o'clockM.
	Private Secretary of the Governor

CHAPTER ____

An act to amend Section 25664 of the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

AB 1398, Vargas. Alcoholic beverages.

The Alcoholic Beverage Control Act contains various provisions regulating the application for, the issuance of, the suspension of, and the conditions imposed upon, alcoholic beverage licenses by the Department of Alcoholic Beverage Control. That act also prohibits, subject to a criminal penalty, the use, in any advertisement of alcoholic beverages, of any subject matter, language, or slogan addressed to and intended to encourage minors to drink the alcoholic beverages.

This bill would additionally prohibit any signage or flyers that advertise establishments that serve alcoholic beverages to individuals under the age of 21 years, if one of the establishment's principal business activities is the selling of alcoholic beverages and the advertisement expressly states that the jurisdiction in which the establishment is located has a legal drinking age of under 21 years, or that individuals under the age of 21 years may patronize the establishment.

This bill would impose a state-mandated local program by changing the definition of a crime.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The people of the State of California do enact as follows:

- SECTION 1. The Legislature finds and declares the following:
- (a) Alcohol is often a factor in motor vehicle accidents, homicides, and suicides, which are the three leading causes of death among youth between the ages of 10 and 24 years.

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- (b) California's close proximity to Mexico presents a challenge in preventing underage drinking because Mexico's legal drinking age differs from that in California.
- (c) Establishments located in Mexico have targeted the youth population in the United States, through the use of marketing techniques, to encourage patronage at their bars and nightclubs.
- (d) Unfortunately, many times the marketing techniques of these Mexican establishments are successful; federally funded studies have confirmed that young people exposed to alcohol-related advertising are more likely to consume alcohol.
- (e) Because the consumption of alcohol among those under the age of 21 years creates a significant health and safety risk, California has a substantial interest in engaging in efforts to reduce underage drinking.
- SEC. 2. It is the intent of the Legislature, in enacting this act, to prohibit, in California, advertising promoting the consumption of alcohol outside the United States that is aimed at individuals under the age of 21 years by establishments that sell alcoholic beverages as one of an establishment's principal business activities.
- SEC. 3. Section 25664 of the Business and Professions Code is amended to read:
- 25664. (a) (1) The use, in any advertisement of alcoholic beverages, of any subject matter, language, or slogan addressed to and intended to encourage minors to drink the alcoholic beverages, is prohibited.
- (2) Signage or flyers advertising an establishment that serves alcoholic beverages to individuals under the age of 21 years are prohibited under paragraph (1) if one of the establishment's principal business activities is the selling of alcoholic beverages, and the advertisement expressly states that the jurisdiction in which the establishment is located has a legal drinking age of under 21 years or that individuals under the age of 21 years may patronize the establishment.
- (3) Nothing in this section shall be deemed to restrict or prohibit any advertisement of alcoholic beverages to those persons of legal drinking age.
- (b) The department may adopt rules as it determines to be necessary for the administration of this section.

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SEC. 4. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

Approved	, 2003
	Governor